

# ANALYST CHECKLIST

## Individual Hospital Confinement Indemnity (Health Insurance)

Company: \_\_\_\_\_  
 Policy Form Number: \_\_\_\_\_  
 Date(s) of Review: \_\_\_\_\_

Prior Contract: \_\_\_\_\_  
 Reel \_\_\_\_\_ Frame \_\_\_\_\_  
 Prior Effective Date: \_\_\_\_\_

### GENERAL REVIEW REQUIREMENTS

#### Authority to Review Contract – RCW 48.18.100

Topic	Reference	Specific Issue	Complies	
			Y	N
<b>Applicability</b>	RCW 48.20.460 WAC 284-50-345 RCW 48.43.005(19)(h)	Hospital Indemnity provides that a set amount be provided based on the member being hospitalized. Indemnity benefits are not based on the costs of the actual health benefits received. Is this a true Indemnity product?  Is Hospital Confinement Indemnity policy marketed as <b>supplemental</b> to a health plan?  <b>If policy is marketed without regard to other coverage or contains coordination of benefit provisions that allow a reduction in coverage, then policy must meet all requirements of 48.43 RCW.</b>		
<b>Definitions</b>	WAC 284-50-345	Hospital confinement indemnity coverage is a policy of disability insurance which principally provides daily benefits for hospital confinement on an indemnity basis in an amount not less than \$10 per day and not less than <b>31</b> days during any one period of confinement for each person insured under the policy. Additional benefits may be provided. Does the definition match the contract being reviewed?		Contract Pg _____ Comment: _____
<b>Definitions (Policy)</b>	WAC 284-50-315(1)	“One period of confinement” means consecutive days of in-hospital service received as an in-patient, or successive confinements due to the same or related causes when discharge from and readmission to the hospital occurs within a period of time not more than 90 days or three times the maximum number of days of in-hospital coverage provided by the policy to a maximum of 180 days.		Contract Pg _____ Comments _____

	WAC 284-50-315(5)	Does the definition of "Sickness" meet the following: Sickness means sickness or disease of any insured person which first manifests itself after the effective date of insurance and while the insurance is in force. A definition of sickness may provide for a probationary period which will not exceed 30 days (or 90 days in a cancer only policy) from the effective date of the coverage of the insured person.		Contract Pg_____
	WAC 284-50-315(6)	"Preexisting condition" shall not be defined to be more restrictive than the following: Preexisting condition means the existence of symptoms which would cause an ordinarily prudent person to seek diagnosis, care or treatment within a five year period preceding the effective date of the coverage of the insured person or a condition for which medical advice or treatment was recommended by a physician or received from a physician within a five year period preceding the effective date of the coverage of the insured person.		Contract Pg_____
<b>Minimum Standards</b>	WAC 284-50-325	No individual disability insurance policy shall be delivered or issued for delivery in this state which does not meet the required minimum standards for its specified category.		Contract Pg_____
	WAC 284-50-330 (16)	As an alternative to hospitalization or institutionalization of an insured and with the intent to cover placements of the insured patient in the most appropriate and cost-effective setting, every individual disability insurance policy or contract issued, amended, or renewed on or after January 1, 1995, which provides coverage for hospitalization or other institutional expenses to a resident of this state shall include substitution of home health care, provided in lieu of hospitalization or other institutional care, furnished by home health, hospice, or home care agencies licensed under chapter 70.127 RCW, at equal or less cost.		Contract Pg_____
<b>Disclosure Provisions</b>	WAC 284-50-375(1)	Each policy must include a renewal, continuation, or non-renewal provision. These provisions must be appropriately captioned and appear on the first page of the policy, shall clearly state the duration, where limited, of renewability and the duration of the term of coverage for which the policy is issued and for which it may be removed.		Contract Pg_____
	WAC 284-50-375(2) RCW 48.20.015	After date of policy issue, any rider or endorsement which increases benefits of coverage with a concomitant increase in premium during the policy term must be agreed to by the insured, except if the increased benefits or coverage is required by law.		Contract Pg_____

	WAC 284-50-375(4)	A policy which provides for the payment of benefits based on standards described as “usual and customary”, “reasonable and customary,” or similar words shall include a definition of these terms in its accompanying outline of coverage.		Contract Pg _____ Comments
	WAC 284-50-375(8)	If age is to be used as a determining factor for reducing the maximum aggregate benefits made available in the policy as originally issued, such fact must be prominently set forth in the outline of coverage.		Contract Pg _____ Comments
<b>Experimental And Investigational</b>	WAC 284-50-377(1)	Every individual disability insurance policy which excludes or limits, or reserves the right to exclude or limit, benefits for any treatment, procedure, facility, equipment, drug, drug usage, medical device, or supply (hereinafter individually and collectively referred to as services) for one or more medical condition or illness because such services are deemed to be experimental or investigational must include within the policy a definition of experimental or investigational.		Contract Pg _____ Comments
	WAC 284-50-377(2)	The definition of experimental or investigational services must include an identification of the authority or authorities which will make a determination of which services will be considered to be experimental or investigational. If the individual disability insurer specifies that it, or an affiliated entity, is the authority making the determination the criteria it will utilize to determine whether a service is experimental or investigational must be set forth in the policy.		Contract Pg _____ Comments
	WAC 284-50-377(3)	Every individual disability insurer that denies a request for benefits or that refuses to approve a request to preauthorize services, whether made in writing or through other claim presentation or preauthorization procedures set out in the policy, because of an experimental or investigation exclusion or limitation, must do so in writing within twenty working days of receipt of a fully documented request.		Contract Pg _____ Comments
	WAC 284-50-377(4)(a)	Every individual disability insurer must establish a reasonable procedure under which denials of benefits or refusals to preauthorize services because of an experimental or investigational exclusion or limitation may be appealed.		Contract Pg _____ Comments
<b>Examination and Standards (Group and Individual</b>	RCW 48.18.110 Examination/ Disapproval	Review for any inconsistent, ambiguous or misleading clauses, or exceptions and conditions, which unreasonably or deceptively affect the risk, purported to be assumed in the general coverage of the contract.		Contract Pg _____ Comments:

<b>Contract)</b>		<ol style="list-style-type: none"> <li>Must contain clear, definitive, WA state specific language for all: <ol style="list-style-type: none"> <li>terms, benefits, and conditions</li> <li>Must avoid unreasonable restrictions on treatment or services</li> </ol> </li> </ol> <p>Must have a reasonable premium or benefit level assumed in relation to the benefits provided by the contract.</p>			Contract Pg_____
	RCW 48.20.012 Exclusions, reduction and limitations	Does the contract or certificate of coverage contain a listing of exclusions, reductions, and limitations to covered benefits?			Contract Pg_____
	Rate Filing  RCW 48.18.100(7) RCW 48.18.140	Has the Carrier filed with the form submission corresponding rates for the contract including rate information for each rider?			Contract Pg_____
	Required Format  RCW 48.18.140 RCW 48.18.190 RCW 48.18.520 RCW 48.20.012 WAC 284-58	<ol style="list-style-type: none"> <li>The style, arrangement, and over-all appearance of the contract shall give no undue prominence to any portion of the text <ol style="list-style-type: none"> <li>The type must be of a general style</li> <li>The point size shall be uniform, of acceptable point size</li> <li>The "text" shall include all printed matter except those specific items stated</li> </ol> </li> <li>The exclusions, reductions, and limitations shall either be included with the benefit provisions, or under an appropriate caption <ol style="list-style-type: none"> <li>An exclusion, reduction, or limitation which applies to a particular benefit shall be Included with the applicable benefit provision.</li> </ol> </li> <li>A form number in the lower left-hand corner of the page shall identify each form including riders &amp; endorsements.</li> <li>The contract shall contain no provision purporting to make any portion of the insurer's charter, rules, bylaws, etc. a part of the contract that would limit its terms; unless attached to, or set forth in full in, the contract. Policy must contain entire contract</li> </ol>			Contract Pg_____
<b>Federal Requirements</b>	PHSA Sec 06(c)(3)(A) HIPAA Program Memorandum 99-01	Benefits not subject to requirements if offered <b>As an independent, non-coordinated benefit</b> . Does this policy fit this definition?			Contract Pg_____
<b>Outline of Coverage</b>	WAC 284-50-400	Does the outline of coverage substantially meet the following format:  (Company Name) Hospital Confinement Indemnity Coverage Outline of Coverage			Contract Pg_____

	WAC 284-50-400 284-50-345	Does the outline of coverage contain the following statement?  (1) <b>Read your policy carefully</b> - This outline of coverage provides a very brief description of the important features of your policy. This is not the insurance contract and only the actual policy provisions will control. The policy itself sets forth in detail the rights and obligations of both you and your insurance company. It is, therefore, important that you <b>read your policy carefully!</b>		Contract Pg _____ Comments:
	WAC 284-50-400	(2) <b>Hospital confinement indemnity coverage</b> -Policies of this category are designed to provide, to persons insured, coverage in the form of a fixed daily benefit during period of hospitalization resulting from a covered accident or sickness, subject to any limitations set forth in the policy. Such policies do not provide any benefits other than the fixed daily indemnity for hospital confinement and any additional benefit described below.		Contract Pg _____ Comments:
	WAC 284-50-400	(3) (A brief <i>specific</i> description of the benefits contained in <i>this policy</i> , in the following order:  (a) Daily benefit payable during hospital confinement; and (b) Duration of benefit described in (a) (c) Any benefits provided in addition to the daily hospital benefit.		Contract Pg _____ Comments:
	WAC 284-50-400	(4) (A description of any policy provisions which exclude, eliminate, restrict, reduce, limit, delay, or in any other manner operate to qualify payment of the benefits described in (3) above.)		Contract Pg _____ Comments:
	WAC 284-50-400	(5) (A description of policy provisions respecting renewability or continuation of coverage, including age restrictions or any reservation of right to change premiums.)		Contract Pg _____ Comments:
	RCW 48.20.385	An insurer may not deny coverage for the treatment of an injury solely because the injury was sustained as a consequence of the insured's being intoxicated or under the influence of a narcotic.		Contract Pg _____ Comments:
	WAC 284-50-420(5)	A description of policy provisions respecting renewability or continuation of coverage, including age restrictions or any reservation of right to change premiums.		Contract Pg _____ Comments:
<b>Premium Definitions</b>	RCW 48.18.170 RCW 48.18.190	Is "Premium" defined as all sums charged, received or deposited as consideration for insurance? Is the premium stated in the policy inclusive of all fees, charges, or other consideration charged for insurance or procurement thereof?		Contract Pg _____ Comments:

<b>Prohibited policy provisions</b>	WAC 284-50-320 RCW 48.20.480	No policy shall exclude coverage for a loss due to a preexisting condition for a period greater than 12 months following policy issue where application for such insurance does not seek disclosure of prior illness, disease or physical conditions or prior medical care and treatment and such preexisting condition is not specifically excluded by the terms of the policy.			Contract Pg_____ Comments
	WAC 284-50-320 (15)	Policies providing hospital confinement indemnity coverage shall not contain provisions excluding coverage because of confinement in a hospital operated by the federal government for services rendered on an emergency basis where a legal liability exists for charges made to the individual for such services.			Contract Pg_____ Comments
<b>Ten Day Free Look</b>	RCW 48.20.013	Is there notice printed on the first page of the contract that allows the purchaser ten days to review the policy? Does the contract refund the premium within 30 days of return of the policy? Is a ten percent penalty added to the refunded premium if premium is not returned within 30 days?			Contract Pg_____ Comments